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**Rethinking Mérida's Priorities:
The Time is Now to Invest in Homeland Security**

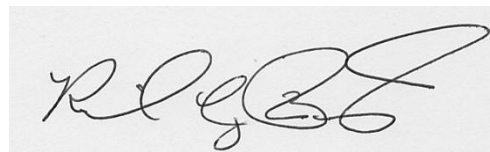
by

Richard G. Burgess

A paper submitted to the Faculty of the Naval War College in partial satisfaction of the requirements of the Department of Joint Military Operations.

The contents of this paper reflect my own personal views and are not necessarily endorsed by the Naval War College or the Department of the Navy.

Signature:

A handwritten signature in black ink, appearing to read 'R. G. Burgess', is displayed on a light gray rectangular background.

28 October 2011

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Abstract

This paper examines the problem of U.S. congressional funding priorities for Beyond Mérida legislation and finds that inadequate resourcing of Department of Homeland Security (DHS) programs impedes U.S. and Mexican efforts to disrupt transnational drug cartel operations in the near term. The author uses a Cost-Benefit Analysis (CBA) methodology to compare the efficacy of current State Department (DOS) initiatives against possible alternatives administered by DHS. The author draws conclusions that to better disrupt the operations of transnational drug cartels, the U.S. Congress should appropriate to the DHS funding that was previously identified to support the Mérida Initiative. The paper recommends Congress enact a Department of Homeland Security Authorization bill in perpetuity and advocate for Mexican inclusion into the North American Aerospace Defense Command (NORAD).

Introduction

In 2008, Congress enacted the Mérida Initiative, a three-year anti-crime assistance bill, to subsidize bilateral efforts with Mexico toward restricting the power and influence of transnational drug cartels. The United States Government (USG) withheld approximately \$1.46 billion in economic assistance by the close of Mérida's financial obligations, the result of overemphasizing Mexican institutional reform while disregarding the flow of weapons and bulk cash across the U.S.-Mexico border.¹ As a consequence, the Mérida Initiative proved ineffectual in disrupting transnational drug cartel operations. U.S. economic assistance for Mérida programs recommenced in 2011, now requiring annual review by Congress. In structuring future Mérida assistance to disrupt organized criminal groups efficiently, Congress seeks programs promising measurable performance indicators through minimal funding. To better disrupt the operations of transnational drug cartels, the U.S. Congress should appropriate to the Department of Homeland Security (DHS) funding that was previously identified to support the Mérida Initiative.

Background

The Mérida Initiative's strategic underpinnings took root in 2007 when the USG responded to President Calderón's plea for economic assistance in the Mexican Drug War. Adopting a three-pronged approach to fight Drug Trafficking Organizations (DTOs), the U.S. and Mexico agreed to fund internal initiatives to shut down organized crime within their respective territories and to work cooperatively to secure their shared border. Additionally,

¹ U.S. Government Accountability Office, *Mérida Initiative: The United States Has Provided Counternarcotics and Anticrime Support but Needs Better Performance Measures*, Report to Congressional Requesters (Washington, DC: U.S. Government Accountability Office, July 2010). No pagination is used for the 'Highlights' page where these statistics were derived. 9% expenditure of \$1.6B equates to ~\$144M.

the U.S. pledged to reduce American drug demand.² If implemented as designed, this three-pronged approach would constrain DTO operations by fortifying law enforcement institutions on both sides of the U.S.-Mexico border while applying a progressive approach to reduce U.S. drug demand. Instead, the U.S. Congress failed to translate this strategic approach into actionable legislation.

The USG codified the Bush-Calderón approach, termed the Mérida Initiative, in Public Law 110-252. This three-year economic assistance package appropriated \$1.6 billion in aggregate for Fiscal Years (FYs) 2008 through 2010.³ Congress organized Mérida assistance to train and equip Mexican counternarcotics forces through three State Department (DOS) funding accounts. Noticeably absent in this legislation were DHS and the Department of Defense (DOD). That DOD provides assistance to Mexico discretely, though not identifiable in Mérida legislation, is not surprising; both Congress and the Mexican government are sensitive to concerns over replicating another Plan Colombia, where U.S. military-trained security forces in Colombia committed human rights abuses against domestic political adversaries. More perplexing, though, was the absence of DHS, particularly given the agency's seemingly central role in achieving two of Mérida's three strategic goals. Aware of this oversight mere months after Mérida's passage, Mexican Ambassador Arturo Sarukhan foretold eventual criticisms of the Mérida Initiative's strategic approach when stating, "As Mexico seeks to shut down the flow of drugs coming through Mexico from Colombia and into the United States, Mexico needs the support of the United States in

² Hon Arturo Sarukhan, Ambassador of Mexico to the United States, (lecture, The Heritage Foundation, Washington, DC, 28 April 2008).

³ U.S. Government Accountability Office, *Mérida Initiative: The United States Has Provided Counternarcotics and Anticrime Support but Needs Better Performance Measures*, Report to Congressional Requesters (Washington, DC: U.S. Government Accountability Office, July 2010). No pagination is used for the 'Highlights' page where these statistics were derived.

shutting down its side of the border to the flow of weapons, bulk cash, and chemical precursors coming into Mexico across the U.S. border.”⁴

Congress charged DOS with administering Mérida Initiative programs and implementing USG assistance. State funded Mérida programs through the International Narcotics Control and Law Enforcement (INCLE), Economic Support Fund (ESF), and Foreign Military Financing (FMF) accounts. A 2009 Government Accountability Office (GAO) report attributed delays and withholdings of Mérida assistance to three shortcomings within these DOS bureaus: tracking Mérida funds, congressionally-imposed human rights conditions, and processes for awarding contracts.⁵ The most prohibitive of these financial impediments proved to be the statutory conditions Congress enacted on Mexican human rights performance. Specifically, Congress withheld 15 percent of appropriated funds from INCLE and FMF accounts due to credible evidence of human rights abuses by federal police and military forces.⁶ Consequently, the Mérida Initiative rendered 9 percent (\$144 million) *in toto* of its \$1.6 billion promise.⁷ This strategy-policy mismatch moderated U.S. and Mexican efforts to disrupt transnational drug cartel operations under the Mérida Initiative and prompted the Obama administration to revise Mérida’s strategic outlook with the Government of Mexico (GOM).

Mérida’s new strategic vision, colloquially called Beyond Mérida, bases its foundation on four pillars: (1) disrupting organized criminal groups; (2) institutionalizing the

⁴ Hon Arturo Sarukhan, Ambassador of Mexico to the United States, (lecture, The Heritage Foundation, Washington, DC, 28 April 2008).

⁵ U.S. Government Accountability Office, *Status of Funds for the Mérida Initiative*, GAO Report, GAO-10-253R (Washington, DC: U.S. Government Accountability Office, December 2009), 9-12.

⁶ Ibid.

⁷ U.S. Government Accountability Office, *Mérida Initiative: The United States Has Provided Counternarcotics and Anticrime Support but Needs Better Performance Measures*, Report to Congressional Requesters (Washington, DC: U.S. Government Accountability Office, July 2010). No pagination is used for the ‘Highlights’ page where these statistics were derived.

rule of law; (3) building a 21st century border; and (4) building strong and resilient communities.⁸ While the first two of these new pillars refine goals of the Mérida Initiative, the third and fourth reflect the Obama administration's desire to increase support for judicial and law enforcement reforms as well as develop programs characterized as state-building. Although this new bilateral security cooperation strategy changed course responsively, Beyond Mérida legislation has yet to implement economic assistance that undertakes measurable disruption of transnational drug cartel operations.

Political and Economic Constraints to Continued Mérida Funding

The U.S. Congress will restrict future Beyond Mérida funding due to austere annual budgets and political uncertainty both domestically and within Mexico. Heightened violence against civilians, domestic use of armed forces to fight cartels, and the plodding progress of democratic reforms in Mexico all constitute political impediments to sustained economic commitment for Beyond Mérida. Since 2007, when President Calderón declared a war on drugs, Mexico has experienced roughly 45,000 homicides, or 14 per 100,000.⁹ A pressing concern of Congress is how or whether this violence influences the 2012 Mexican presidential election. Should Mexico's new administration back away from Calderón's press on the cartels, more than a half billion dollars of U.S. investment rest in jeopardy. Consequently, eroding support for Beyond Mérida, real or perceived, rightly justifies Congress to limit future U.S. assistance. Mexico's growing violence likewise concerns Congress but for reasons of potential spillover to the United States. The February 2011

⁸ Clare Ribando Seelke and Kristin M. Finklea, *U.S.-Mexican Security Cooperation: The Mérida Initiative and Beyond*, CRS Report for Congress R41349 (Washington, DC: Congressional Research Service, 2011), Summary page – no pagination is used.

⁹ David A. Shirk, *The Drug War in Mexico: Confronting a Shared Threat*, Council Special Report No. 60 (Washington, DC: Council on Foreign Relations Center for Preventive Action, 2011), 3.

murder of a U.S. Immigration and Customs Enforcement (ICE) agent – and wounding of another – inside Mexico garnered U.S. congressional attention. Senator John McCain (R-AZ) commented, “I am convinced, tragically, that if the *status quo* remains, that violence will continue to spill over to our side of the border.”¹⁰ Even if Mexican political support for Mérida strategies is preserved, current DOS programs funded by Beyond Mérida legislation do not directly address Mexican violence, rendering a departure from the *status quo* in the near term unlikely. This being the case, future U.S. assistance is, justifiably, better spent on programs that satisfy Mérida’s strategic goals and simultaneously reduce spillover potential.

President Calderón’s employment of 45,000 military troops in the fight against DTOs also presents Mexico political and economic challenges to sustained U.S. support.¹¹ Though reinforced through Mérida Initiative assistance, Mexican law enforcement still yields the lead in the drug war to their more competent and numerous military forces, and the outlook for such forces replacing the Mexican Army in the near future appears bleak. State’s newfound preference for funding judicial reform over training and equipping Federal Police (FP) forces only exacerbates this dilemma. Apart from American distaste for military operations conducted in the public sector, human rights abuses committed by the Mexican Army resonate concerns in Congress from the original Mérida Initiative. Freezing 15% of INCLE and FMF appropriations to Mexico for failing to meet human rights conditions, as was done under the Mérida Initiative, provides Congress an easy out when identifying potential

¹⁰ Chris Strohm, “Days of Border Security Boosts Appear Over,” *National Journal*, 18 February 2011, reprinted under same title at Government Executive. <http://www.govexec.com/dailyfed/0211/021811nj2.htm?oref=relink> (accessed 21 October 2011).

¹¹ Shannon O’Neil, “Prepared Statement,” House, *Moving Beyond Mérida in U.S.-Mexico Security Cooperation: Hearing before Committee on Foreign Affairs: Subcommittee on the Western Hemisphere; and Committee on Homeland Security: Subcommittee on Border, Maritime, and Global Counterterrorism*, 111th Cong., 2nd sess., 2011), 3.

spending cuts on future budget proposals. Mexico's reliance on military support for domestic policing also serves to undermine efforts that advance democratic reforms.

Under President Calderón, and President Fox before him, Mexico's democratic evolution has made great strides. Two factors, however, stand to limit U.S. assistance in their progress. First, it is naïve to assume America is underwriting Mexican democratization. In fact, Mexican democratic reforms, notably that of the judiciary, are internally funded at far greater levels than USG assistance offers. Although accurate levels of Mexico's funding in this regard are difficult to obtain, the Council on Foreign Relations estimates outlays in the billions.¹² In addition to Beyond Mérida funding from the USG, Mexico receives annual Development Assistance (DA) to support domestic poverty reduction and maximize economic benefit from NAFTA. Congress, for example, increased FY 2011 DA to \$25 million over the previous years' \$10 million average, likely in advance of diminished Beyond Mérida assistance.¹³ DOS argues that its strategic shift from expensive hardware and technology transfer to less expensive training and institutional reforms drives incurred costs down. While this is true, it also stands correct that Beyond Mérida assistance is not the critical link in the chain promoting Mexican democratic reform. Mexico's political outlook is the other factor that will likely curtail U.S. financial support for Mexican democratization. Mexico's 2012 presidential frontrunner among early candidates, Enrique Peña Nieto, is a member of the Institutional Revolutionary Party (PRI), the party accused of politically manipulating the Mexican drug trade for more than seventy years before democratic reforms

¹² Shannon O'Neil, "Prepared Statement," House, *Moving Beyond Mérida in U.S.-Mexico Security Cooperation: Hearing before Committee on Foreign Affairs: Subcommittee on the Western Hemisphere; and Committee on Homeland Security: Subcommittee on Border, Maritime, and Global Counterterrorism*, 111th Cong., 2nd sess., 2011), 5.

¹³ Clare Ribando Seelke, *Mexico: Issues for Congress*, CRS Report for Congress RL32724 (Washington, DC: Congressional Research Service, 2011), 11.

in Mexico were introduced.¹⁴ Perhaps worse, the PRI once opposed the democratic reforms put forward by Presidents Fox and Calderón. At a minimum, a PRI victory next year will induce unease within the U.S. Congress and, likely, a reluctance to continue support at requested levels for Beyond Mérida.

In reaction to a downtrodden economy, Congress reduced Beyond Mérida funding to \$143 million in FY 2011 and currently weighs the Obama administration's request for \$282 million for FY 2012.¹⁵ By comparison, the Mérida Initiative's \$1.6 billion three-year assistance package promised to yield more than \$500 million annually during FYs 2008-2010. Should Congress under resource DOS implementation of Beyond Mérida as it appears intent to, State will not be effectual in disrupting transnational drug cartels moving forward. Now lacking the economic capacity and political will to simply throw money at a problem, Congress will inevitably aim to preserve precious U.S. resources of manpower, materiel, and money. To make U.S. assistance to Mexico a sound investment, Congress should resource programs that avert cartel operations at the U.S.-Mexico border.

Southwest Border

The most effective way to influence transnational drug cartel operations in the near term is to disrupt the flow of bulk cash and weapons across the U.S.-Mexico border, and the State Department is ill-equipped to do so. Mexican drug cartels profit an estimated \$30 billion annually (3-4% of Mexico's GDP) from illegal drug trade with the United States.¹⁶

¹⁴ Clare Ribando Seelke, *Mexico: Issues for Congress*, CRS Report for Congress RL32724 (Washington, DC: Congressional Research Service, 2011), No pagination is used for 'Summary' page 1.

¹⁵ Ibid.

¹⁶ David A. Shirk, *The Drug War in Mexico: Confronting a Shared Threat*, Council Special Report No. 60 (Washington, DC: Council on Foreign Relations Center for Preventive Action, 2011), Foreword by Richard N. Haass, vii.

Much of this revenue returns to Mexico in the form of cash through the porous Southwest border. In turn, Cartels use cash profits primarily to arm and equip their forces; it is also used subversively to organize and recruit new members as well as corrupt federal, state, and local law enforcement. Recognizing the importance of border security, both Beyond Mérida and its predecessor assign it top priority in strategic rhetoric. Past and present Mérida implementation, however, fall short of addressing the Southwest border's vulnerabilities. An in-depth look at border security programs reveals State's inability to disrupt the flow of cartel resources under Mérida legislation.

The U.S.-Mexico border provides the critical arteries that fund, arm, and sustain Mexican drug cartels, yet DOS demonstrates little ability to influence it. Deterring illicit cash flows, for example, more appropriately involves the Treasury (DOT) and Justice (DOJ) Departments as well as DHS. Similarly, Justice's ATF and DHS lead efforts to thwart firearms trafficking. DOS, however, is not sedentary in attempts to influence border security under Mérida's purse; rather, their methods of implementation are ineffectual. Two avenues DOS seeks to exploit are prison reform and anti-corruption. Prison reform attempts to sever a large recruitment population for cartels. A GAO report on DOS performance indicators, however, reveals State's disregard for reforming Mexican prisons, having trained and certified zero corrections officers during the Mérida Initiative's first year.¹⁷ Even if State facilitated a strong prison reform program, it would compete directly with wealthier cartels. Unfortunate in this regard, DOS is also poorer than cartels in attempts to stamp out corruption. Corruption in Mexico's governing institutions, particularly law enforcement, is considered endemic, and Mexico is investing more toward its reform than DOS under

¹⁷ U.S. Government Accountability Office, *Mérida Initiative: The United States Has Provided Counternarcotics and Anticrime Support but Needs Better Performance Measures*, Report to Congressional Requesters (Washington, DC: U.S. Government Accountability Office, July 2010), 43.

Mérida. Hardly able to influence corruption levels in Mexican law enforcement and judicial institutions, DOS is even more disconnected from the Southwest border. Since cartels derive their power and influence from the arterial routes from America, it stands that the most effective method of disrupting drug cartel operations is to cut off their proverbial head at the neck. State, quite simply, is incapable of doing so efficiently or even directly, and continuing to fund their programs in the face of viable alternatives is frivolous.

Drug trade revenues arm and equip cartels to a frightening extent and pose a credible threat to Mexico's embattled army and police forces. A 2011 RAND report warns that Mexican drug cartels *en masse* could form an army in the range of 130,000 troops.¹⁸ This strength of opposition threatens Mexican sovereignty and exposes U.S. vulnerabilities along the Southwest border. Worst-case scenarios link drug cartels, border security, and the potential for a terrorist threat. The Drug Enforcement Agency (DEA) warned, "It is very likely that any future 'September 11th' type of terrorist event in the United States may be facilitated, wittingly or unwittingly, by drug traffickers operating on both sides of the United States-Mexico border."¹⁹ These dire warnings, echoed by many in Congress, give grounds for redirecting Mérida funds to DHS programs designed to safeguard U.S. national security interests at the Southwest border.

The Case for Homeland Security

Provided Mérida's outstanding appropriations, the Department of Homeland Security can disrupt transnational DTO operations in the near term by restricting criminal activities

¹⁸ Peter Chalk, *The Latin American Drug Trade: Scope, Dimensions, Impact, and Response*, RAND Report for Project Air Force (Santa Monica, CA: RAND, 2011), 51.

¹⁹ Sara A. Carter, "Terrorists teaming with Drug Cartels," *Washington Times*, 7 August 2007, <http://washingtontimes.com/news/2007/aug/08/terrorists32teaming-with32drug-cartels/> (accessed 21 Oct 2011).

across the U.S.-Mexico border in conjunction with Mexican law enforcement. At present, DHS is under funded and under manned, particularly within the U.S. Customs and Border Protection (CBP) agency. In July 2010, President Obama authorized the deployment of 1,200 National Guard troops to the U.S.-Mexico border to allow CBP time to augment their personnel.²⁰ Congress further reinforced CBP's manpower shortage by providing DHS \$600 million in emergency supplemental appropriations. Despite CBP manpower shortcomings, DHS programs at large achieved tangible successes against transnational drug cartels during the course of the Mérida Initiative. Border Enforcement Security Task Force teams (BESTs), for instance, target the drugs Mexican cartels use for profit. In 2008 alone, BESTs contributed to upwards of 2,000 criminal arrests and seized more than 8,000 pounds of cocaine in 2008.²¹ Homeland Security's ICE, through cooperative efforts with ATF, waged Operation Armas Cruzadas in 2009 to combat Mexican firearms trafficking. Resultantly, the three-month operation seized 997 firearms and over \$4.5 million in bulk cash.²² Other incipient DHS programs like Outbound and Pulse and Surge Teams align under the Southwest Border Security Initiative instituted by the Obama administration, and many are proving successful in the fight against weapons and bulk cash flows through the Southwest border. Manpower increases alone, however, are only a start.

A promising DHS program with the ability to influence transnational drug cartel operations is the nascent CBP Unmanned Aerial System (UAS) force. Here too, Congress must increase appropriations for new aircraft and trained aircrews and support personnel in

²⁰ Clare Ribando Seelke, *Mexico: Issues for Congress*, CRS Report for Congress RL32724 (Washington, DC: Congressional Research Service, 2011), 5.

²¹ U.S. Homeland Security, *Press Briefing by Secretary of Homeland Security Janet Napolitano, Deputy Secretary of State Jim Steinberg and Deputy Attorney General David Ogden on U.S.-Mexico Border Security Policy*, Press Release (Washington, DC: Department of Homeland Security, March 2009), 1.

²² Ibid.

order to capitalize on their investment. UAS potential to influence cartel operations outweighs the costs to implement a robust program, providing Congress sufficient justification for increased funding. UAS's have national reach, enabling CBP to assist in counternarcotics operations throughout the United States and along its borders. For instance, they can reach and survey the northern border with Canada, the Great Lakes region, or American cities like New York or Los Angeles, where drugs enter the United States. Sufficiently equipped, UAS' could provide coverage for the aforementioned and the Southwest border simultaneously. Such capability would present cartels an imposing time problem as U.S. and Mexican interdiction efforts would only be constrained by the speed of intelligence sharing and reaction times. With its fledgling fleet of six UASs, CBP aircraft flew 6,979.5 hours, directly contributing to the apprehension of 7,163 aliens and seizure of 39,049.87 pounds of marijuana (estimated at \$31.2 million) between 2006 and FY 2010's third quarter.²³ To Congress' liking, CBP's UAS fleet is cost-effective in that it inherently demonstrates multi-role capabilities. For example, two of CBP's Coastal Predators (Guardian) patrol coastal waters, where cartels may turn in response to prohibitions along the Southwest border. Beyond counternarcotics operations, Guardian systems support domestic contingency operations. This proved useful during recent Gulf Coast hurricanes, Midwest flooding, and the Deepwater Horizon oil spill. The UAS program is comparatively cost-effective; they are unarmed yet carry valuable EO, IR, and SAR sensors for surveillance. Demonstrating this awareness, Congress appropriated \$32 million of emergency

²³ Lindsey Voss, *Eyes on the Border: An Inside Look at the Role Unmanned Aircraft Play in Securing Our Nation*, CIP Report, Volume 9, Number 3 (Washington, DC: Center for Infrastructure Protection and Homeland Security, 2010), 12.

supplemental funds to purchase two new CBP Predators in 2010.²⁴ Eight Predators do not suffice DHS efforts to disrupt transnational drug trade, though. Congress' 'a little here, a little there' approach to funding CBP does not maximize the UAS program's potential and squanders immediate opportunities to impact cartel operations in and around the United States.

The benefits of bolstering DHS programs like the ones described above are manifold. Securing the U.S.-Mexico border disrupts the livelihood of Mexican drug cartels, affords protection against possible terrorist conveyance, and stems the tide of illegal immigration among others. Quite simply, there is not enough money in the present for Congress to distribute appropriations toward these aims equitably amongst the executive departments. In search of programs offering greater bang for the buck in disrupting transnational drug cartel operations posthaste, Congress can redirect Mérida funds to DHS and follow through by establishing necessary oversight controls.

Counterarguments

Those opposed to redirecting Mérida appropriations defend the State Department's progressive, institution-building approach as being productive, albeit slow. Shannon O'Neil of the Council on Foreign Relations argued this viewpoint to Congress when saying, "it is only through serious institution building and structural changes that the situation both on and south of the border will change in the long term."²⁵ Proponents of this argument contend that

²⁴ U.S. President, Statement. "Statement by the President on the Passage of the Southwest Border Security Bill," *Office of the Press Secretary*, 2010. <http://www.whitehouse.gov/the-press-office/2010/08/12/statement-president-passage-southwest-border-security-bill> (accessed 19 October 2011).

²⁵ Shannon O'Neil, "Prepared Statement," House, *Moving Beyond Mérida in U.S.-Mexico Security Cooperation: Hearing before Committee on Foreign Affairs: Subcommittee on the Western Hemisphere; and Committee on Homeland Security: Subcommittee on Border, Maritime, and Global Counterterrorism*, 111th Cong., 2nd sess., 2011), 2.

institution building in Mexico was a delayed effort due to the previous administration's (Bush) emphasis on hardware and technology sales. While these criticisms may be true, Congress did fund institutional reform under Mérida, laying blame, in part, on State's inability to clearly define and deliver measurable performance indicators. In July of 2010, GAO characterized State's approach as "[lacking] outcome-based measures that define success in the short term and the long term, making it difficult to determine effectiveness and leaving unclear when the Initiative's goals will be met."²⁶ This political tit for tat, however, is relatively overcome by events. State's approach demands a sustained commitment of U.S. resources over time, and Congress is in no position, economically, to accommodate.

A more grounded counterpoint to U.S. enforcement initiatives argues for domestic demand reduction. Mark Kleiman, Professor of Public Policy at UCLA, articulates this viewpoint, noting, "the basic problem is not supply from Mexico but demand from the United States, and that it is incumbent on the United States to reduce the quantities of illicit drugs its residents sell, buy, and consume."²⁷ Those favoring reduced demand generally dismiss the efficacy of enforcement initiatives, arguing that such measures merely redirect the flow of illicit drug trade. Many recall American successes in the 1980s, where U.S. maritime forces shut down Caribbean drug flow from Colombia to the Gulf Coast, only to see cartels switch avenues of approach to the Southwest border. This logic suggests that funding DHS initiatives to secure the Southwest border as proposed would only delay or geographically alter DTO operations, resulting in wasteful spending of scarce U.S. resources over time. A Council on Foreign Relations (CFR) report to Congress counsels, "Studies

²⁶ U.S. Government Accountability Office, *Mérida Initiative: The United States Has Provided Counternarcotics and Anticrime Support but Needs Better Performance Measures*, Report to Congressional Requesters (Washington, DC: U.S. Government Accountability Office, July 2010), 36.

²⁷ Mark Kleiman, "Surgical Strikes in the Drug Wars," *Foreign Affairs* Volume 90, Number 5 (September/October 2011): 92.

show that a dollar spent on reducing demand is far more effective than a dollar spent on eradication and interdiction abroad, and that money spent domestically on rehabilitation is five times more effective than that spent on conventional law enforcement.”²⁸

Agreeably, the U.S. must act to reduce demand but would be unwise to do so at the expense of U.S.-Mexico border security initiatives. While demand reduction offers to jeopardize cartel revenues, it does not present a means for disrupting revenue flow across the border. As a consequence to effective U.S. demand reduction, cartels will offset profits loss by turning to other criminal enterprises such as human trafficking and smuggling, Mexican domestic drug sales, *et cetera*. Both institution building and demand reduction require sustained commitment and offer effectiveness only in the long term. Such measures, therefore, must complement rather than supplant border security initiatives. To disrupt transnational drug cartels with more immediacy, Congress should increase appropriations to DHS programs with proven success in disrupting DTOs. This move would, in essence, stop the bleeding along the border so that the U.S. can focus long-term treatment on other areas requiring maturation like demand reduction and judicial reform. Ironically, this fusion of border security initiatives with Mexican domestic reforms is precisely what Presidents Bush and Calderón envisioned when articulating the Mérida Initiative’s strategic goals.

Conclusion and Recommendations

This March, President Obama announced, “We are very mindful that the battle President Calderón is fighting inside of Mexico is not just his battle; it’s also ours. We have

²⁸ Shannon O’Neil, “Prepared Statement,” House, *Moving Beyond Mérida in U.S.-Mexico Security Cooperation: Hearing before Committee on Foreign Affairs: Subcommittee on the Western Hemisphere; and Committee on Homeland Security: Subcommittee on Border, Maritime, and Global Counterterrorism*, 111th Cong., 2nd sess., 2011), 6.

to take responsibility just as he's taking responsibility.”²⁹ The president's statement harkens the warnings Ambassador Sarukhan gave shortly after the Mérida Initiative was passed. Since that time, bilateral security cooperation has constituted hardware, technology, and training to Mexico while paying mere lip service to domestic demand reduction or staving the flow of weapons and bulk cash across the Southwest border. Though many support the counterarguments presented, other authors and Latin America experts conclude that the most effective way to disrupt transnational drug cartel operations in the near term is to disrupt the flow of illicit weapons and bulk cash across the Southwest border.³⁰ Despite economic constraints, opportunities exist now for Congress to redouble domestic efforts once promised under Mérida, principally homeland security.

Congressional challenges to increasing DHS appropriations extend beyond the political debate surrounding approaches to homeland security. In fact, the real challenge to adequately fund DHS efforts resides in the where and how. Since establishment in 2003, the Department of Homeland Security has yet to be funded through an authorization bill like the ones that govern DOD and DOS *et al.* Authorization bills set policy and establish spending priorities for executive departments, and DHS, not without their shortcomings, is in dire need of this direction. In 2010, Congress harshly criticized DHS for requesting increased FY 2011 appropriations while reducing the number of CBP agents. Moreover, that DHS tends to chase the most recent homeland security crisis with Congress' checkbook. In reference to a thwarted attack on Northwest Airlines Flight 253 in 2010, for instance, the late Senator Robert Byrd (D-WV) told Secretary Napolitano, “While the proposed increases for

²⁹ Ginger Thompson, “U.S. and Mexico Announce Progress on Trucking,” *New York Times*, 3 March 2011, <http://www.nytimes.com/2011/03/04/world/americas/04mexico.html> (accessed 21 October 2011).

³⁰ For similar arguments to the initial offering in “Border Security” here, see: David A. Shirk, *The Drug War in Mexico: Confronting a Shared Threat*, Council Special Report No. 60 (Washington, DC: Council on Foreign Relations Center for Preventive Action, 2011), Foreword by Richard N. Haass, 5.

checkpoint explosives technology and additional Federal Air Marshals may be appropriate, it is an example of responding to the latest threat rather than anticipating future threats.”³¹

Senator Byrd’s committee rightly deemed U.S.-Mexico border security the closest alligator to the canoe, but the lack of an authorization bill limited Congress’ ability to structure DHS appropriations accordingly. A DHS Authorization Act, however, would give Congress ability to manage DHS funds and exercise oversight. Through this direction, Congress can identify particularly effective programs to fund, like CBP’s UAS force, and monitor DHS implementation of congressional monies; recall that this oversight control revealed waste in State’s implementation of the Mérida Initiative. Currently, House Resolution (H.R.) 3116, the Department of Homeland Security Authorization Act for Fiscal Year 2012, renews earlier efforts to inaugurate a DHS Authorization Act but awaits House vote in committee.³²

Congress can further reinforce DHS efforts to disrupt transnational DTOs by advocating for Mexican inclusion into the North American Aerospace Defense Command (NORAD). The Mérida Initiative provided Mexico surveillance aircraft, detection and monitoring equipment, and secure communications infrastructure. Subsuming Mexico into NORAD capitalizes on this investment and, more importantly, is in the collective security interests of North America. Mexican drug cartels profit off criminal trade in both Canada and the United States, necessitating greater collaboration amongst the three nations. While Mexico shares NAFTA in common with both its northern neighbors, they have avoided NORAD out of concerns over sovereignty. To join NORAD, the Mexican constitution requires amendment. Though many consider amendment unlikely, the 2012 presidential

³¹ U.S. Congress. Senate. *Department of Homeland Security Appropriations for Fiscal Year 2011, Hearings before a Subcommittee of the Committee on Appropriations*, 111th Cong., 2nd sess. On S. 3607, 24 February 2010, 2.

³² Bill Summary & Status 112th Congress (2011-2012) H.R. 3116 All Information, *Library of Congress*. <http://thomas.loc.gov/cgi-bin/bdquery/z?d112:HR03116:@@L&summ2=m&> (accessed 24 October 2011).

election presents an opportunity for Mexico to pursue membership. Arguably, the mounting violence, spillover concerns, and opportunities for terrorist conveyance lend possibility to the partial or temporary closure of the U.S. Southwest border. Given the implications for the Mexican economy under such a scenario, Mexican leadership should strongly consider the benefits amendment affords. Mexican inclusion in NORAD extends the fight against transnational DTOs through intelligence sharing, collaboration, and law enforcement. Moreover, U.S. and Canadian intelligence officials offer to vet Mexican personnel, a measure that would go far in reducing institutional corruption. More importantly, a stronger defense of transnational routes to the U.S. by NORAD reduces the likelihood of terrorist threats emanating from North America, and does so at the right price for Congress.

To date, the Mérida Initiative's potential remains unrealized. Though grounded in sound strategy, Mérida has been unable to influence transnational drug cartel operations due to ineffective prioritization of U.S. economic assistance. Constrained economically, Congress can no longer afford to issue Band-Aid fixes, and the State Department does not offer efficient or effective strategies to achieve near-term successes. DHS, on the other hand, demonstrates potential to immediately and effectively disrupt cartel operations inside America and along its borders through a variety of programs. Funding DHS programs can occur at the expense of other Beyond Mérida initiatives or, more diplomatically, in coalescence. It is the latter that benefits both the U.S. and Mexico and makes good on the promise the Mérida Initiative once outlined. Increasing funds to DHS serves to stop the figurative bleeding at the Southwest border in the near term and allows the U.S. and Mexico to fortify internal efforts that require time and resolve such as demand and supply reduction.

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